

Role of E-Commerce

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Abstract

In the present competitive world information technology plays a significant role. It has touched every sphere of life be it education, economy, politics, trade, finance or business. In this paper, the researcher tried to assess particularly the role of IT in e- Commerce. For this the researcher took an attempt to know the relationship between Information Technology and Commerce, the growth of e- commerce, e- commerce techniques and the sale of e- commerce in different years. In order to reach at conclusion the researcher used secondary data obtained from various published sources like journals, books, official websites, Internet and Mobile Association of India.

KEYWORD: Information technology, E-commerce, Business, Online, Sale.

INTRODUCTION

Concepts of Information Technology and Commerce

Information technology (IT) is the use of computers to create, process, store, retrieve, and exchange all kinds of data and information. IT is typically used within the context of business operations as opposed to personal or entertainment technologies. The Information Technology is used in each and every aspect of Commerce. Information Technology is the design, creation, utilization, support and management of Computer-based information systems in fostering the transactions of information product and Services.

Commerce is the activity of buying and selling of goods in small as well as in large scale; especially on a large scale. The impact of information technology on commerce is very significant. Information technology is very important for automating the complex problems by introducing simple solutions.

They give the best possible method to satisfy their customer demand. They will help to make money and produce the results for customer demands by their both tangible and intangible benefits.

Meaning of Electronic Commerce

E-commerce is an important and growing part of the worldwide economy. Ecommerce may be thought of like a digital version of mail-order catalog shopping.

“The Electronic commerce or E-commerce means buying, selling and exchanging of goods, Services and information via computer network.”

It involves more than one party along with the exchange of data or currency to process a transaction. It is part of the greater industry that is known as electronic business (e-business), which involves all of the processes required to run a company online.

Ecommerce has helped businesses (especially those with a narrow reach like small businesses) gain access to and establish a wider market presence by providing cheaper and more efficient distribution channels for their products or services. Target (TGT) supplemented its brick-and-mortar presence with an online store that allows customers to purchase everything from clothes and coffeemakers to toothpaste and action figures right from their homes.

Providing goods and services isn't as easy as it may seem. It requires a lot of research about the products and services you wish to sell, the market, audience, competition, as well as expected business costs.

E commerce facilitate the growth of online business

- Online marketing
- Online advertisement
- Online sale
- Online payment
- Online billing
- Product delivery
- Product service

Example of e-commerce websites used for shopping like

- | | | |
|-------------|-----------|---------------|
| 1) Flipkart | 2) Amazon | 3) Snap deal, |
| 4) Jabong, | 5) Mantra | 6) eBay, |

Example of e-commerce websites used for travelling like

- | | | |
|------------------|-----------|---------------|
| 1) OLA | 2) Uber | 3) MegaCabs, |
| 4) BookMyCab.com | 5) IRCTC, | 6) MakeMyTrip |

Example of e-commerce websites used for ordering food on their demand like

- | | | |
|-----------|--------------|----------------|
| 1) Zomato | 2) Foodpanda | 3) swiggy etc. |
|-----------|--------------|----------------|

OBJECTIVES OF STUDY

The main objectives of the study are as under:

- To study the relationship between Information Technology and Commerce
- To evaluate the E-commerce growth in India.
- To examine how business is conducted using E-commerce techniques.
- To evaluate the sales of E-commerce for different years in India.

NEED OF STUDY

The IT industry is rapidly growing and popular in the field of commerce. The

Information

Technology plays a vital role to ensure the smooth functioning of all the departments including Human Resources, Finance, Manufacturing and Security. The aim of the study is to highlight the performance of current scenario of the E-commerce Industry.

DATA COLLECTION

For this study, the researcher has collected the data mainly by using secondary source which includes online journals, books, other published online material and published reports of Internet and Mobile Association of India. The data is concerned with the year 2017 to 2027.

ANAYLSIS AND RESULT

1- RELATIONSHIP BETWEEN INFORMATION TECHNOLOGY AND COMMERCE

Information and communication technology has made rapid advances since the early 1990s, and has dramatically altered the way in which modern businesses work. It has also enabled a greater number of people to work from home. Computers save a great deal of time for businesses. Information can be relayed instantly, video conferencing

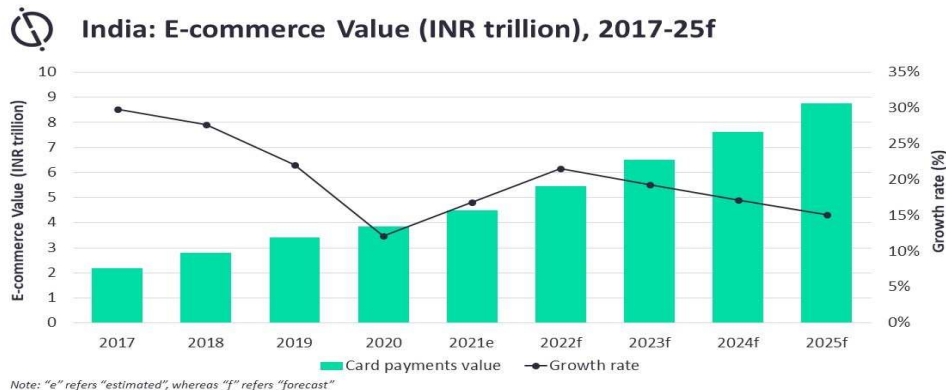


cuts down the need to travel to business meetings and documents can be amended and edited very quickly. They also cut costs, since firms can reduce staffing levels and produce their own marketing materials. A recent innovation is the use of social networking sites for business marketing.

2- Growth of E-Commerce in India

The E-commerce and Information Technology has transformed the way of business done in India. The most valuable & most visited top 10 E-commerce companies in India are Flipkart, Amazon India, Snapdeal, PayTM, Myntra, Ebay, Shopclues, MakeMyTrip, IRCTC, GoIbibo.

These all are considered on the basis of their popularity, traffic, number of visits and market value. All are most valuable and biggest online shopping websites in India. Growth of Ecommerce in India is explained with the help of different charts.



Source: Globaldata Banking And Payment Intelligence Centre

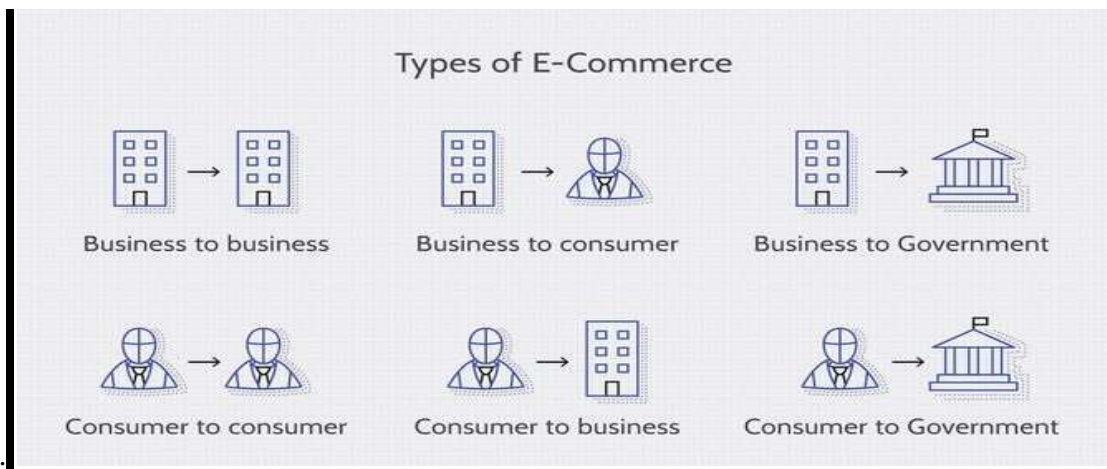
According to Global Data’s E-Commerce Analytics, e-commerce payments in India grew by 12.2% in 2020 and is estimated to register a growth of 16.8% to reach INR4.5 trillion (US\$61.5bn) in 2021.

The e-commerce market in India has been witnessing high growth during the past few years. It continued to grow even during the COVID-19 pandemic as wary consumers preferred online channel for purchases. Against this backdrop, e-commerce sales are forecasted to rise at a compound annual growth rate (CAGR) of 18.2% between 2021 and 2025, to reach INR8.8 trillion (US\$120.1bn) in 2025, according to GlobalData, a leading data and analytics company.

3. E-Commerce business models:-

Transaction Type	Name	Description
B2B.	Business-to-business	Transactions between companies
B2C / C2B	Business-to-customer/Customer-to-Companies	making transactions business between companies and the end customer.
C2C	Customer-to-customer	Transactions between end customers.

B2G/G2B	Business-to-government	Transactions between government and government-to-business Companies.
G2G	Government-to-government	Transactions between government Departments.
P2P	Peer-to-Peer	Transactions between two individuals



The above table and figure depicts different types of transactions possible in E-commerce. These all types are useful in doing E-commerce business. This classification of E-commerce is based on who orders the goods and services and who is selling the goods or services.

4. To evaluate the sales of E-commerce for different years in India.



SOURCE: IBEF(INDIA BRAND EQUITY FOUNDATION)

The Indian online grocery market is estimated to reach US\$ 26.93 billion in 2027 from US\$ 3.95 billion in FY21, expanding at a CAGR of 33%. India's consumer digital economy is expected to become a US\$ 1 trillion market by 2030, growing from US\$ 537.5 billion in 2020

With a turnover of \$50 billion in 2020, India became the eighth-largest market for e-commerce, trailing France and a position ahead of Canada.

E-COMMERCE BUYERS IN INDIA

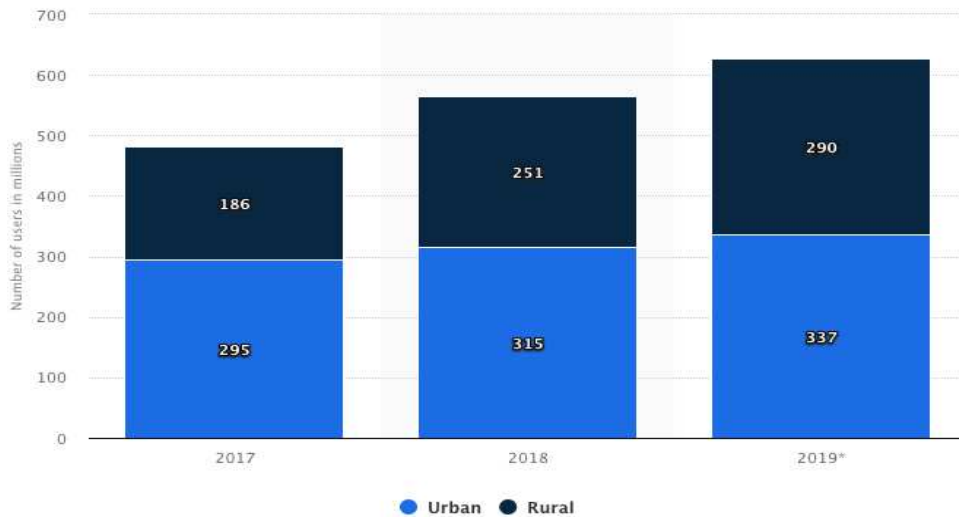


Source: Statista, February 2019

SOURCE:- Statista, FEB 2019

In 2007, the penetration rate was just 4%. As of Dec 2018, it stands at 42%. What it means is that approximately 566 million Indian have access to the internet. Out of this 493 million (or 87% population) is actively using the internet.

NUMBER OF USER IN INDIA FROM 2017-2019



Source:- STATISTA

293 Million active users live in urban India and rest in rural markets of India.

CONCLUSION

Now we can say from the above study that E-COMMERCE plays a very vital role in the development of the whole Nation, society and the Indian economy.

E-commerce is an evolution

By using electronic technology through the internet, it achieved

- More competitions
- More marketplaces
- Faster transaction
- More advanced technologies to make activities between customers and producers more active.
- We as customers and internet users are responsible to keep our e-commerce healthy and safe so that e-buisness can be more reliable in the future.
- It creates better opportunities for the profit in business and it gives more options to the customers.
- Day by day new technologies will create the next best things in the field of E-commerce for doing transactions because customers continue to desire their products and services better, faster and cheaper way.

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